

# Reorganization Information Session

*April 20, 2004*

# Office of Medicaid

April 2004

Beth Waldman

*Medicaid Director*



# Our MassHealth Mission

- To help the financially needy obtain high-quality health care that is affordable, promotes independence, and provides customer satisfaction.



# MassHealth Covers 930,000 Massachusetts Residents

- Of Massachusetts residents:
  - 27% of all children
  - 30% of people with disabilities
  - 50% of people with AIDS
  - 70% of people in nursing homes

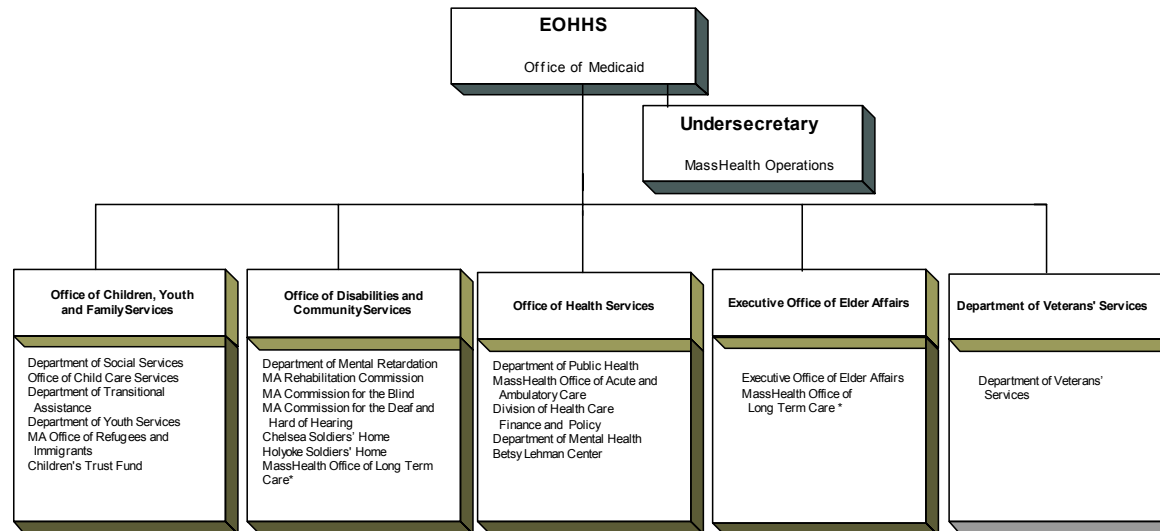


# MassHealth and Medicaid Spending

- FY '04 (Estimated)
  - MassHealth: \$6.2 B
  - Medicaid: \$7.5
- FY '05 (House 1)
  - MassHealth: 6.7 B
  - Medicaid: \$8.1 B
- 29% of state spending  
*(as of April 20, 2004)*

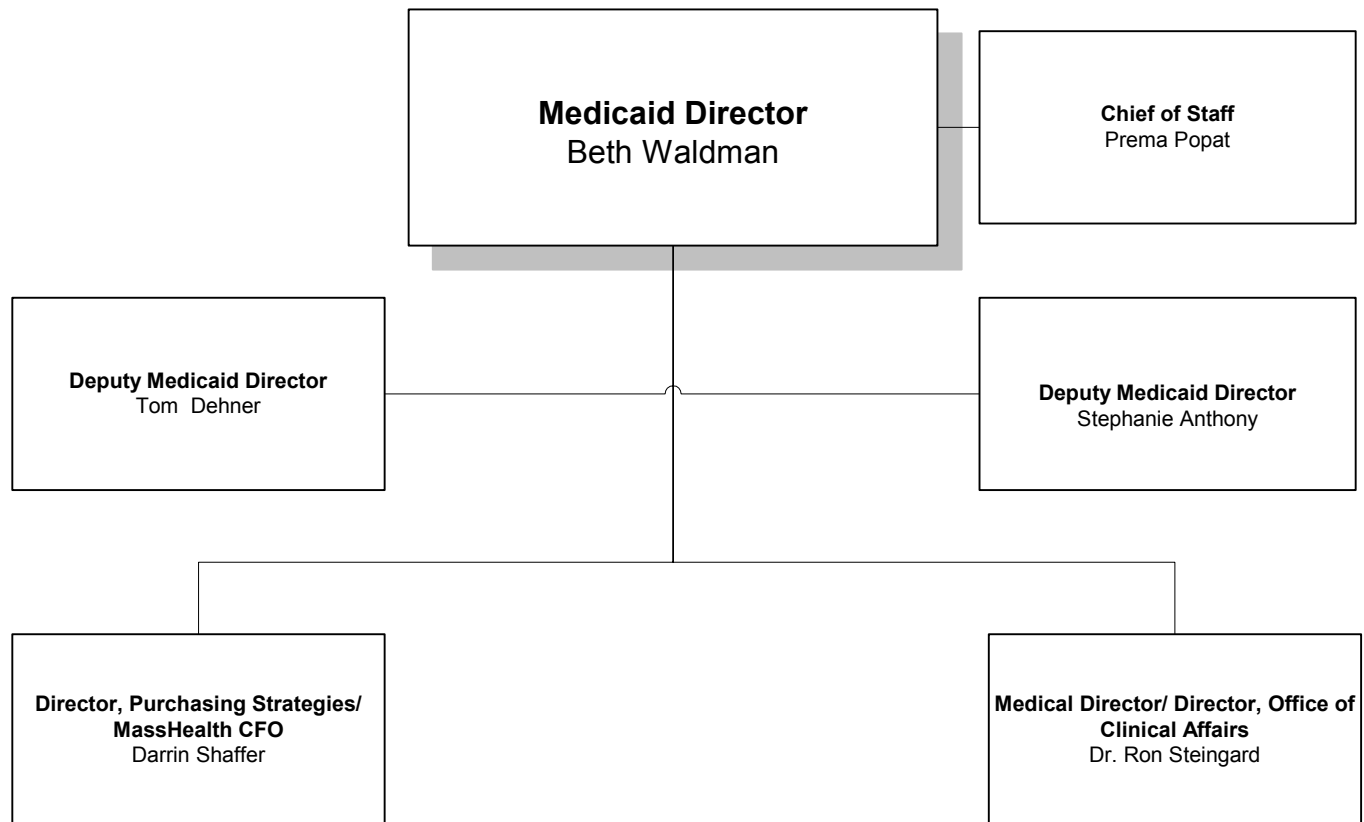


# EOHHS Office and Agencies





# Office of Medicaid



# MassHealth Operations

April 2004

Rosemarie Day

*Chief Operating Officer of  
MassHealth and*

*Director, MassHealth Operations*





# MassHealth Operations



We will ensure the delivery of high-quality, affordable healthcare to those in need through an approach that is focused on

*customer service,*  
*program integrity,*  
and  
*operational excellence*

in collaboration with our business partners and in support of EOHHS goals.

## Mission Statement



# MassHealth Operations: A “New and Improved” Organization

- MHO is adopting a new and unprecedented strategy of incorporating member and provider services in one consolidated effort
- As a result of the reorganization, MHO is starting to provide a larger scope of support to other business units within EOHHS
- MassHealth Operations includes the following business units:
  - Member Services
  - Claims & Provider Operations
  - Publications
  - Project Management Office
  - Privacy & Security Office
  - Board of Hearings
  - Internal Control & External Audit



# 3 Major Areas of Focus for MHO

## 1) “*e*-Strategy”

- Intake, Eligibility & Referral (IE&R)
- New Medicaid Management Information System (New MMIS)
- Automated Prior Authorization System (APAS)
- Electronic Funds Transfer (EFT)

## 2) Re-Procurement for Provider Services

## 3) Business Process Improvement Initiative



# "e-Strategy"

- **Intake, Eligibility and Referral (I,E&R)**

- EOHHS portal capability intended to provide better, more consistent access to program and service information as well as streamline administrative processes with providers
- Our first release this summer will include the following for 9 EOHHS programs:
  - **Catalog** - allowing the public access to HHS program and service information utilizing a common taxonomy.
  - **Screening** - allowing the public to screen for potential program/service eligibility.
  - **Common Intake** - allowing provider intake workers to submit applications for all 9 HHS programs utilizing a common application and intake system. The provider will also have access to enrollment status information.



## Decrease Inaccuracies In Determination



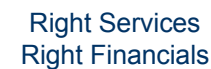
## Improve Access



## Migrate from Paper to Electronic



## Improve Back Office Processes



Right Services  
Right Financials



## Decrease Cycle Time In Determination



In the short run, minimize the Administrative Impact  
Of Anticipated Free Care Application Process  
Migration to MassHealth



## Virtual Gateway to HHS Services at Mass.gov



# *e* -Strategy”

- Intake, Eligibility, & Referral (cont.)
  - Programs included for this summer are:
    - MassHealth (Children’s Medical Security Plan (CMSP), Healthy Start, and Free Care (all as of 10/1/04))
    - Women’s Health Network
    - WIC
    - Food Stamps
    - Early Intervention
    - Child Care



# *e*-Strategy”

- **New Medicaid Management Information System (New MMIS)**
  - MassHealth requires a modern system which has the functionality to support cost containment and flexible program design goals.
  - Potential administrative benefits and gains of New MMIS include:
    - Effective claims management
      - Rules-based claims processing
      - Real time claims adjudication
      - Minimal reliance on paper claims
    - Standardized data exchanges
    - High quality service to providers
      - Ability to review the status and history of submitted claims in real time
      - Integrated web-based provider call centers



# *e* -Strategy”

- New MMIS (cont.)
  - The Legislature recently passed a budget supplemental which includes language to finance the new Medicaid Management Information System (MMIS)
  - Request for Proposals for New MMIS will be released soon
  - New system is targeted for completion by December 2006





# Re-Procurement for Provider Services

- Primary Functions of Provider Service Contract:
  - Act as the liaison between EOHHS and its provider network of over 27,000 MassHealth Providers
  - Provider Enrollment and Credentialing
  - Provider Support and Call Center - billing questions, policy questions, requests for publications, etc.
  - Transaction support -- claims intake, handling, resolution, remittance information
  - Provider Training and Outreach
  - Provider Communications and Marketing
  - Support Provider Community as MassHealth transitions to NewMMIS, National Provider ID, and other efforts.
- New Provider Service Contract will serve as a platform for other functional areas within MHO



# Re-Procurement for Provider Services

- General timeline for re-procurement
  - Release of RFR expected late May - early June 2004
  - Vendor selected August/September 2004
  - Vendor begins transition (if required) October 2004
  - Transition complete December 2004



# Business Process Improvement (BPI) Initiative

- Several projects completed (using input from private consulting firms and various stakeholders (such as provider groups and various administrators within MassHealth)) in order to maximize efficiency and provider satisfaction in claims process.
- Completed Projects include:
  - Systematic Reduction in Paper Attachments
  - HIPAA Transaction Compliance
  - Member Handbooks
  - Elimination of Bulletin 94
  - Electronic Remittance Advices
  - Elimination of TCN Requirement



# Business Process Improvement (BPI) Initiative

- The focus of the BPI project is now on the six provider-related projects that are in the process of being completed.
- These projects include:
  - Metrics Reporting Pilot
  - EFT Campaign
  - Earlier Access to Adjudicated Claims data
  - Improvement of Final Deadline Appeals Process, and
  - Provider Satisfaction Feedback.



# Business Process Improvement: Highlights

- Metrics Reporting Pilot

- 11 Providers are currently participating in a pilot program designed to assist them in optimizing their claims submission and eligibility processes
- Metrics such as top ten claims denial reasons are now posted to the web ([www.mahealthweb.com](http://www.mahealthweb.com)) for the benefit of the entire provider community
- Early results of pilot include:
  - 8 of 11 providers have begun submitting claims in HIPAA format
  - 3 providers have signed up for electronic funds transfer (EFT)
  - 2 providers worked with their software vendor and made system changes to resolve long standing billing issues
  - 4 providers analyzed and changed their intake process as a result of the pilot



# Business Process Improvement: Highlights

- **EFT (Electronic Funds Transfer)**

- 142 applications containing an e-mail address were received using the new form from 12/1/03-4/6/04.
- The auto approval e-mail functionality via Support Console is scheduled to be moved into production by 4/16/04.

- **Earlier Access to Adjudicated Claims**

- Providers will be able to retrieve claims status 2 weeks prior to receiving paper remittance advices (using the website or call center) by early FY05



# Business Process Improvement: Highlights

## ● Improvement of Final Deadline Appeals Process

- Backlog of 11195 appeals (as of July '03) Reduced by 80% to 2072 (As of April '04).
- We are working to reduce the backlog to zero by May 15th. We will use the remainder of FY04 (June 30) to reduce currently accumulating backlog, with the goal of maintaining no more than 30 days of on-hand inventory by July 1 (down from 6 months as of August 2003)



# Business Process Improvement: Highlights

- **Provider Satisfaction Feedback**

- Several useful pieces of information (such as information regarding EFT, results of the metrics pilot, top claim denial reasons) posted to [www.mahealthweb.com](http://www.mahealthweb.com)
- Currently in the process of developing a comprehensive provider feedback survey (to be administered annually)





# Thank you for coming!!

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# Q&A